Industrial

PRINCE EDWARD ISLAND
INDUSTRIAL
CORPORATION

LEGISLATIVE LIBRARY OF ONTARIO
RECEIVED

ANNUAL REPORT
for the fiscal year
ending March 31, 1969

101-07031/

TO HIS HONOUR
THE HONOURABLE J. GEORGE MACKAY,
Lieutenant-Governor of Prince Edward Island

MAY IT PLEASE YOUR HONOUR:

I have the honour herewith, for the information of your Honour and the Legislature of Prince Edward Island, to present the Twentieth Annual Report of the Prince Edward Island Industrial Corporation and the financial statements of the Corporation for the fiscal year 1968-69.

Respectfully submitted,

C. A. Miller

Minister of Industry and Natural Resources

Minister of Industry and Natural Resources
Charlottetown
Prince Edward Island

Sir:

As directed by and on behalf of the Board of Directors of the Prince Edward Island Industrial Corporation, and as required under Section 10 of "The Prince Edward Island Industrial Corporation Act", I submit the Twentieth Annual Report of the Corporation for the year ending March 31, 1969.

During this period the Directors of the Corporation were as follows:

Hon. C. A. Miller, Chairman	President
Hon. T. E. Hickey	Vice-President
Hon. Keir Clark	
Mr. P. A. Murnaghan	
Mr. Wendell G. Barbour	

During the period under review the Board met on five occasions to deal with matters coming before it.

With the designation of Industrial Enterprises Incorporated as the promotional and financing agency of the Crown in the field of industrial development, the activities of this Corporation were limited in this area.

The facilities of the food processing plant in Georgetown were maintained throughout the period, while efforts continued to bring about a final disposition of the plant.

Title to the shipyard facility at Georgetown was acquired by this Corporation in November of 1967 as settlement of its claim in the bankruptcy proceedings of Bathurst Marine Ltd. This facility continued to operate during the past year under a rental agreement with the Fishermen's Loan Board of Prince Edward Island.

Under an agreement with the Atlantic Development Board the municipal water supply system was extended to serve the shipyard.

Forming a part of this report will be found the following:

1. Auditor's Report to the Shareholders
2. Auditor's Statement of Assets & Liabilities
3. Analysis of Expenditure

Respectfully submitted on behalf of the Board.

L. S. Finley

Acting Secretary

* AUDITOR'S REPORT *

I have examined the Balance Sheet of the Prince Edward Island Industrial Corporation as at 31st March 1969 and the accompanying statement of Income and Expense for the year ended on that date and have obtained all the information and explanations I have required.

My examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as I considered necessary in the circumstances.

Subject to the above comments, in my opinion, the accompanying Balance Sheet of the Prince Edward Island Industrial Corporation presents the financial position of the Corporation as at 31st March 1969 and the results of its operations for the year ended on that date according to the best of my information and the explanations given to me and as shown by the records of the Corporation.

CHARLOTTETOWN, P.E.I.
January 2,1970

ARTHUR J. GARRETT
CHARTERED ACCOUNTANT

PRINCE EDWARD ISLAND INDUSTRIAL CORPORATION

BALANCE SHEET AS AT 31ST MARCH 1969

A S S E T S

CURRENT ASSETS		
Account receivable- Due from Provincial Treasurer (Previous year's deficit)	948,018.86	
Cash in bank	46,196.24	
Accrued interest (Statement attached)	74,081.87	
Due from Industrial Enterprises Inc. For unexpired portion of insurance paid by the Corporation on ship hulls at date of sale to I.E.I.	17,299.41	
Account receivable- C.W.Gurnham (Collections on accounts receivable of Gulf Garden Foods Ltd. to 31st March 1969)	2,778.84	
Inventory-Fish boxes (Valued at price of actual billings in year ended 31st March 1970	34,997.00	
Mortgages receivable	1,109.46	1,124,480.68
LONG TERM LOANS-(Statement Attached)		733,113.03
BATHURST MARINE LTD. BUILDING AND EQUIPMENT -(Statement Attached)		423,945.83
GULF GARDEN FOODS LTD. BUILDING AND EQUIPMENT -(Statement Attached)		700,000.00
HEAD OFFICE EQUIPMENT (Cost less Depreciation)		2,851.61
TOTAL ASSETS		2,984,391.15
DEFICIT ACCOUNT		
Deficit- 31st March 1968	947,243.33	
Excess of expense over revenue for the year	692,785.91	
	1,640,029.24	
Less: Refund due from Provincial Treasurer of previous year's deficit	948,018.86	
		692,010.38
		$ 3,676,401.53

PRINCE EDWARD ISLAND INDUSTRIAL CORPORATION

BALANCE SHEET AS AT 31ST MARCH 1969 (Con'd)

L I A B I L I T I E S

CURRENT LIABILITIES		
Accounts payable (Sundry)	3,429.36	
P.E.I. Fishermen's Loan Board (Shipbuilding operations)	2,084.28	5,513.64
LONG TERM LIABILITIES		
Atlantic Development Board (Re Water Disposal Plant at Bathurst Marine Ltd.	34,917.63	
Bank loan-Royal Bank of Canada	349,656.23	
Advances from Provincial Treasurer (Including interest accrued to 31st March 1969)	3,241,311.03	3,625,884.89
TOTAL LIABILITIES		3,631,398.53
CAPITAL STOCK		
Authorized- 100,000 shares of no par value		
Common stock issued and paid up - 90,000 shares		45,003.00
		$ 3,676,401.53

PRINCE EDWARD ISLAND INDUSTRIAL CORPORATION

STATEMENT OF INCOME AND EXPENSES

FOR THE YEAR ENDED 31ST MARCH 1969

INCOME			
Interest (Statement attached)		130,630.00	
Rental Bathurst Marine facilities		34,440.00	
Charter hire (Hillsboro)		5,000.00	
Net proceeds sale of aluminum fish boxes from Gulf Garden Plant		14,222.96	
Recovery on amount written off previous year of claim A/S Bergens, Mekanke, Verksteader ($55,125.00)		8,283.84	
Insurance received on Hull 12 re cost of repairs included in previous year's expenses		19,709.75	
Sundry		918.75	213,205.30
EXPENSES			
Interest paid and accrued			
-Provincial Treasurer	608,379.52		
-Bank	87,467.27	695,846.79	
Head Office expenses -(Schedule attached)		24,897.59	
Gulf Garden Plant expenses (Schedule)		131,019.55	
Bathurst Marine Plant expenses (Schedule)		28,246.78	
Maintenance on ship hulls		20,109.88	
Insurance on ship hulls		5,719.50	
Sundry		151.12	905,991.21
EXCESS OF EXPENSES OVER INCOME FOR YEAR			$692,785.91

PRINCE EDWARD ISLAND INDUSTRIAL CORPORATION

31ST MARCH 1969

STATEMENT OF COST OF GULF GARDEN FOODS LTD. PLANT

Balance - 31st March 1969	3,536,977.89
Write down of value of plant to amount realized on sale in following year	2,836,977.89
	$ 700,000.00

STATEMENT OF COST OF BATHURST MARINE LTD. PLANT

Balance - 31st March 1969		261,533.36
Balance of purchase price of plant through trustee in bankruptcy		47,085.09
Additions to plant and equipment in the year ended 31st March 1969:		
- Water disposal system	41,060.33	
- Other	71,217.05	112,277.38
		$ 423,945.83

STATEMENT OF HEAD OFFICE EXPENSE

Salaries and wages	10,816.83
Travel	159.53
Telephone and telegrams	795.65
Office and stationery	921.83
Legal (General)	9,494.13
Audit	2,500.00
Sundry	209.62
	$ 24,897.59

PRINCE EDWARD ISLAND INDUSTRIAL CORPORATION

31ST MARCH 1969

GULF GARDEN AND BATHURST MARINE EXPENSES

	Gulf Garden	Bathurst Marine	Total
Insurance	10,869.41	11,351.19	22,220.60
Legal	2,500.00	2,500.00	5,000.00
Touche,Ross,Bailey & Smart	2,329.07	6,953.10	9,282.17
Other (Wages, Maintenance, etc.)	115,321.07	7,442.49	122,763.56
	131,019.55	28,246.78	159,266.33

STATEMENT OF LONG TERM LOANS AND INTEREST INCOME

	Interest Income -	Principal 31-3-69 -	Accrued Interest 31-3-69
B. MacPherson	1,400.38	21,000.00	1,668.89
Stella Maris Atlantic Ltd.	14,619.50	221,900.00	38,690.77
H. C. Leavitt	1,101.10	13,500.00	2,229.85
Babineau Fisheries Ltd	2,106.38	36,000.00	1,560.00
O'Leary Produce Ltd.	4,096.20	61,062.55	4,579.69
Judson Packers Ltd.	10,205.00	157,000.00	18,219.46
Newton MacKay	1,279.87	22,500.00	587.14
Wm. B. Rourke	463.67	10,000.00	753.10
Spartan Construction Co.	913.93	11,003.62	241.71
H. B. Willis Inc.	8,248.48	111,373.40	3,530.76
Dillon Printing Co.	683.35	9,773.46	146.60
Weeks & Sons	798.12	12,500.00	834.55
Albert Griffin	1,030.05	39,500.00	1,030.05
Seabrook Farms Frozen Foods Ltd.	55,445.91	-	-
Union Fisheries	20,279.55	-	-
	122,670.42	733,113.03	74,091.87
Interest on fire insurance claim to date of payment	7,959.58	-	-
	$ 130,630.00	733,113.03	74,091.87